Montana Crop & Livestock Reporter

survey results summary issued twice monthly by the

USDA, NASS, Montana Field Office

Issue: 06-13 Released: July 12, 2006

HIGHLIGHTS:

Small Grain Production
Potato Acreage
Dry Edible Pea and Lentil Forecast
Wheat Supply & Demand Estimates
Ag Prices Received

July 1, 2006 Crop Production

Based on July 1 conditions, Montana's **all wheat production** is expected to be 167.7 million bushels, down 13% from last year. The area for harvest is expected to be 5.2 million acres, down 1% from last year. **Winter wheat** yield is expected to be 40.0 bushels per acre, down 5 bushels from last year's record yield. Production is forecast to be 78.0 million bushels, down 17% from last year. Winter wheat crop development is well ahead of normal as 90% has turned color for the week ending July 9 compared with 62% last year and 53% for the five-year average.

The first **spring wheat** production forecast is 79.8 million bushels, down 2% from last year's production due to lower yields. The expected yield of 28.0 bushels per acre is down 4.0 bushels per acre from last year. The harvested acres are expected to be 2.85 million acres, up 300,000 acres from last year. Spring wheat crop progress is ahead of last year and the five-year average with 95% in boot and 74% headed for the week ending July 9. **Durum wheat** production is forecast to be 9.9 million bushels, down 40% from last year. The expected yield of 25.0 bushels per acre is down 3 bushels from last year. Harvested acreage is expected to be 395,000 acres, down 32% from 2005.

Barley yields are expected to average 55.0 bushels per acre in 2006, 1 bushel below last year. Barley production is forecast to be 35.2 million bushels compared with 39.2 million bushels produced last year. Growers expect to harvest 640,000 acres, down 60,000 acres from 2005. Barley crop progress is ahead of last year, with 95% reaching boot stage by July 9 and 73% of the crop headed. **Oats** producers expect to harvest 1.4 million bushels of grain, down 26% from last year. The 2006 area for harvest is expected to be 30,000 acres, down 5,000 acres from 2005. The expected yield of 46.0 bushels per acre is 7 bushels below last year's yield.

Dry edible pea producers in Montana planted 190,000 acres, up 41% from a year ago. Producers are expecting to harvest 175,000 acres. **Lentil** growers planted 140,000 acres this year, down 7% from last year. Producers are expecting to harvest 130,000 acres of lentils. **Austrian winter pea** producers planted 28,000 acres, up 3,000 acres from last year. Producers expect to harvest 15,000 acres of this year's crop as peas. Montana **potato** producers planted 10,500 acres during 2006, down 5% from last year. The first forecast of potato production will be on November 9, 2006.

In the United States, **winter wheat** production is forecast at 1.28 billion bushels. This is up 1% from last month, but 15% below 2005. The U.S. yield is forecast at 41.1 bushels per acre, up 0.6 bushel from last month, but down 3.3 bushels from last year. Area harvested for grain totals 31.1 million acres, unchanged from the Acreage report released on June 30, 2006, but down 8% from last year.

U.S. **other spring wheat** production is forecast at 465 million bushels, down 8% from 2005. Area harvested for grain totals 14.2 million acres, unchanged from the Acreage report released on June 30, 2006. The U.S. yield is forecast at 32.9 bushels per acre, 4.2 bushels less than last year. **Durum wheat** production is forecast at 60.4 million bushels, down 40% from 2005. Area harvested for grain totals 1.82 million acres, unchanged from the Acreage report released on June 30, 2006, but down 33% from last year. The U.S. yield is forecast at 33.1 bushels per acre, 4.1 bushels less than last year. If realized this will be the lowest harvested acreage since 1961 and the lowest production since 1988.

U.S. **barley** production for 2006 is forecast at 190 million bushels, 10% below 2005 and the lowest production since 1936. Based on conditions as of July 1, the average yield is forecast at 63.4 bushels per acre, down 1.4 bushels from last year. Area for harvest, at 2.99 million acres, is down 9% from 2005 and the lowest since 1885. **Oat** production in the United States is forecast at 110 million bushels, 4% below last year's 115 million bushels. If realized, this would be the lowest production on record. The U.S. yield is forecast at 57.9 bushels per acre, down 5.1 bushels from 2005. Growers expect to harvest 1.91 million acres for grain, up 5% from last year.

U.S. planted acreage of **dry edible peas** is estimated at 895,000 acres, up 11% from the 2005 estimate. Area for harvest, at 856,600 acres, is 12% above a year ago. Area planted in North Dakota is 7% above a year ago at 580,000 acres. This is 40,000 acres above the previous record high set last year. **Lentils** planted acreage in Idaho, Montana, North Dakota, and Washington is estimated at 420,000 acres, down 7% from 2005. Harvested acreage is estimated at 402,000, down 8% from last year. Planted acreage of **Austrian winter peas** for Idaho, Montana, and Oregon is forecast at 41,000 acres, down 4% from 2005. Area harvested is forecast the same as a year ago at 24,500 acres.

Fall **potatoes** in the U.S. area planted for 2006 is estimated at 990,500 acres, up 2% from last year, but 5% below 2004. Harvested acres are forecast at 974,400, up 3% from 2005, but 5% below 2 years ago. (Crop table is on the next page.)

July1, 2006 Crop Production Forecast, Montana and U.S.

Crop	Unit	Acres Planted		Acres Harvested		Yield		Production	
		2005	2006 1/	2005	2006 1/	2005	2006 1/	2005	2006 1/
		(000) Acres		(000) Acres				(000) Units	
Winter Wheat	Bu.	2,150	2,000	2,100	1,950	45.0	40.0	94,500	78,000
Durum Wheat	Bu.	590	400	585	395	28.0	25.0	16,380	9,875
Spring Wheat	Bu.	2,600	2,900	2,550	2,850	32.0	28.0	81,600	79,800
All Wheat	Bu.	5,340	5,300	5,235	5,195	36.8	32.3	192,480	167,675
Barley	Bu.	900	800	700	640	56.0	55.0	39,200	35,200
Oats	Bu.	90	65	35	30	53.0	46.0	1,855	1,380
Corn for Grain 2/	Bu.	65.0	60.0	17.0	19.0	148.0	7/	2,516	7/
Sugar Beets	Tons	53.9	53.6	49.9	53.5	22.9	3/	1,143	3/
Fall Potatoes	Cwt.	11.0	10.5	10.9	10.4	315.0	6/	3,434	6/
Dry Beans	Cwt.	18.0	14.0	14.1	12.0	20.0	4/	282	4/
Dry Peas	Cwt.	135.0	190.0	122.0	175.0	18.0	6/	2,196	6/
Lentils	Cwt.	150.0	140.0	146.0	130.0	12.8	6/	1,869	6/
Aus. Winter Peas	Cwt.	25.0	28.0	13.0	15.0	12.2	6/	159.0	6/
Canola	Lbs.	17.0	16.0	16.5	15.5	1,290	5/	21,285	5/
Flaxseed	Bu.	55	40	54	38	17.0	7/	25,810	7/
Safflower	Lbs.	30.0	35.0	29.0	33.0	890	7/	890	7/
Alfalfa Hay	Ton	--	--	1,750	1,650	2.20	3/	3,850	3/
All Other Hay	Ton	--	--	1,250	1,100	1.60	3/	2,000	3/
All Hay	Ton	--	--	3,000	2,750	1.95	3/	5,850	3/
UNITED STATES		(000) Acres		(000) Acres				(000) Units	
Winter Wheat	Bu.	40,433	41,393	33,794	31,108	44.4	41.1	1,499,129	1,280,005
Durum Wheat	Bu.	2,760	1,885	2,716	1,822	37.2	33.1	101,105	60,370
Spring Wheat	Bu.	14,036	14,595	13,609	14,154	37.1	32.9	504,456	465,261
All Wheat	Bu.	57,229	57,873	50,119	47,084	42.0	38.3	2,104,690	1,805,636
Barley	Bu.	3,875	3,496	3,269	2,990	64.8	63.4	211,896	189,647
Oats	Bu.	4,246	4,312	1,823	1,907	63.0	57.9	114,878	110,322
Corn for Grain 2/	Bu.	81,759	79,366	75,107	72,091	147.9	3/	11,112,072	3/
Sugar Beets	Ton	1,299.8	1,361.9	1,242.9	1,321.1	22.2	3/	27,537	3/
Fall Potatoes	Cwt.	1,110.0	1,138.0	1,087.4	1,118.4	388	6/	422,209	6/
Dry Beans	Cwt.	1,665.0	1,561.8	1,568.6	1,465.0	17.4	4/	27,222	4/
Dry Peas	Cwt.	808.0	895.0	765.9	856.6	18.3	6/	14,003	6/
Lentils	Cwt.	450	420.0	439	402.0	11.7	6/	5,163	6/
Aus. Winter Peas	Cwt.	42.5	41.0	24.5	24.5	12.5	6/	307	6/
Canola	Lbs.	1,159.0	1,018.0	1,114.0	974.7	1,419	5/	1,580,985	5/
Flaxseed	Bu.	983	718	955	704	20.6	7/	9,695	7/
Safflower	Lbs.	165.0	221.0	160.0	212.0	1,203	7/	192,545	7/
Alfalfa Hay	Ton	--	--	22,389	22,407	3.38	3/	75,771	3/
All Other Hay	Ton	--	--	39,260	40,290	1.91	3/	74,819	3/
All Hay	Ton	--	--	61,649	62,697	2.44	3/	150,590	3/

1/ Preliminary. 2/ Planted for all purposes. 3/ Forecast available August 11, 2006. 5/ Forecast available September 12, 2006. 6/ Forecast available October 12, 2006. 7/ Forecast available November 9, 2006. 8/ Forecast available January 12, 2007.
-- Not published.

U.S. Wheat Supply and Demand

Projected U.S. 2006/07 wheat supplies are up 17 million bushels from last month, as higher beginning stocks and imports more than offset lower production. Beginning stocks are increased 22 million bushels based on USDA's June 30 Stocks report. The first survey-based forecast of spring wheat (including durum) production, at 526 million bushels, is down 24 million from last month's projection. Forecast winter wheat production is raised 16 million bushels. Imports are raised 5 million bushels. Projected feed and residual use is lowered 5 million bushels. The first wheat supply and demand projections by class for 2006/07 indicate tighter supplies for hard red winter, hard red spring, and durum compared with the year earlier. The projected all-wheat, season-average price range is raised 10 cents on each end to $3.70 to $4.30 per bushel.

The 2006/07 global wheat outlook includes higher production, consumption, trade, and ending stocks, compared with last month. Higher production in China and Ukraine is mainly due to favorable weather boosting yields. Lower production in Australia is based on dryness lowering planted area. Consumption is raised mainly due to increases in China, Turkey, and (continued on the back page)

May Ag Prices Received

May 2006 full month crop prices were mostly higher compared with April 2006. When compared with April 2006, Montana's winter wheat price was $4.02 per bushel, up $0.23; spring wheat price was up $0.65 to $4.54 per bushel; durum wheat prices increased $0.16 to $3.59 per bushel; feed barley was up $0.02 to $1.70 per bushel; and malt barley was $3.29 per bushel, down $0.01.

The mid-June price for alfalfa hay decreased $6.00 to $65.00 per ton and all other hay increased $1.00 to $74.00 per ton. Mid-June grain prices were mixed when compared with May. The winter wheat price was $4.23 per bushel; spring wheat was $4.37 per bushel; durum wheat was $3.80 per bushel; malt barley was $3.42 per bushel; and feed barley was $1.51 per bushel.

Livestock prices for the full month of May were mixed when compared with the previous month. Steer and heifer prices were down $12.20 to $98.80 per cwt, but cows increased $0.30 to $49.80. The price for calves dropped $5.00 to $126.00 per cwt. Sheep prices rose $2.20 to $28.20 per cwt and lambs increased $0.50 to $85.20 per cwt. Milk prices decreased $0.50 per cwt from April to $12.40 per cwt. Mid-month June steer and heifer prices were $97.10 per cwt; cows were $48.10 per cwt; calves were $127.00 per cwt; and milk prices were $12.20 per cwt.

Nationally, prices for May and changes from April were as follows: winter wheat was $4.06, up $0.30; spring wheat was $4.18, up $0.24; durum wheat was $3.94, up $0.54; the all barley price was $2.96, up $0.29; steer and heifer prices were $86.50, down $2.80 per cwt; and calf prices were down $3.00 to $132.00.

The U.S. mid-June winter wheat price was $3.92 per bushel; spring wheat was $4.09 per bushel; durum wheat was $3.95 per bushel; all wheat was $3.96 per bushel; malt barley was $2.98 per bushel; feed barley was $2.25 per bushel; and all barley was $2.77. Steer and heifer prices were $88.40 per cwt; cow prices were $46.10 per cwt; calves were $132.00 per cwt; all hog prices were $53.20 per cwt; and all egg prices were $0.56 per dozen.

The preliminary All Farm Products Index of Prices Received by Farmers in June, at 118, based on 1990-92=100, increased 3 points (2.6 percent) from May.

United States Index Summary

INDEX (1990-92=100)	May 2005	June 2005	May 2006	June 2006
Prices Received	119	119	115	118
Prices Paid, Interest, Taxes, & Farm Wage Rages 1/	140	141	147	147
Ratio 2/	85	84	78	80

1/ Prices paid indexes (1990-92=100) published monthly. 2/ Ratio of index of prices received by farmers to index of prices paid.

Montana Average Farm Prices Received

Commodity	UNIT	Monthly Average				Change From Previous		Mid-Month Average	
		Montana			U.S.	Month	Year	Montana	U.S.
		May 2005	April 2006	May 2006	May 2006	April 2006	May 2006	June 15, 2006	June 15, 2006
		Dollars							
Winter Wheat	Bu.	3.34	3.79	4.02	4.06	+0.23	+0.68	4.23	3.92
Durum Wheat	Bu.	3.65	3.43	3.59	3.94	+0.16	-0.06	3.80	3.95
Spring Wheat	Bu.	3.30	3.89	4.54	4.18	+0.65	+1.24	4.37	4.09
All Wheat	Bu.	3.35	3.79	4.25	4.09	+0.46	+0.90	4.27	3.96
Barley, All	Bu.	2.80	2.99	3.21	2.96	+0.22	+0.41	3.32	2.77
Feed Barley	Bu.	1.71	1.68	1.70	2.57	+0.02	-0.01	1.51	2.25
Malt Barley	Bu.	3.20	3.30	3.29	3.11	-0.01	+0.09	3.42	2.98
Oats	Bu.	1.92	na	1.45	1.85	na	-0.47	na	1.75
Alfalfa Hay	Ton	76.00	61.00	71.00	118.00	+10.00	-5.00	65.00	115.00
All Other Hay	Ton	73.00	65.00	73.00	96.80	+8.00	nc	74.00	90.10
All Hay Baled	Ton	75.00	61.00	71.00	114.00	+10.00	-4.00	66.00	109.00
Steers & Heifers	Cwt	113.00	111.00	98.80	86.50	-12.20	-14.20	97.10	88.40
Cows	Cwt	61.40	49.50	49.80	47.50	+0.30	-11.60	48.10	46.10
Beef Cattle 1/	Cwt	84.10	86.40	66.50	82.20	-19.90	-17.60	58.40	84.00
Calves	Cwt	140.00	131.00	126.00	132.00	-5.00	-14.00	127.00	132.00
Sheep	Cwt	44.30	26.00	28.20	33.20	+2.20	-16.10	na	na
Lambs	Cwt	125.00	84.70	85.20	88.90	+0.50	-39.80	na	na
All Milk	Cwt	15.00	12.90	12.40	12.00	-0.50	-2.60	12.20	12.10

1/ Composite of steers, heifers, and cows. na-not available.

U.S. Wheat Supply and Demand (continued from page two)

Ukraine, while stocks are up mostly in China. Exports are increased for China, Ukraine, and Canada but and decreased for Australia and Turkey. Imports are increased for Brazil and Turkey but decreased for China. In this month's forecast, China's exports exceed China's imports.

U.S. oilseed ending stocks for 2006/07 are projected at 16.6 million tons, down 2.8 million tons from last month. Oilseed production is projected at 91.8 million tons, down 2.9 million tons. Reduced soybean, sunflowerseed, cottonseed, and peanut production are only partly offset by a small increase in canola production. Soybean production is projected at 3,010 million bushels (81.9 million tons), down 70 million bushels because harvested area reported in the June 30 Acreage report is 1.8 million acres below the June projection. Lower production and reduced carryin leave 2006/07 soybean ending stocks at 560 million bushels, down 95 million from last month.

The U.S. season-average soybean price for 2006/07 is projected at $5.00 to $6.00 per bushel, down 10 cents on both ends of the range as forward pricing opportunities for new crop soybeans have remained at substantially lower price levels than in the 2 previous marketing years. Forward contracting boosted prices significantly in 2004/05 and in 2005/06, but with lower forward contract prices for the 2006 crop, season-average prices are expected to more closely reflect cash prices. Soybean meal and soybean oil price projections are unchanged at $155 to $185 per short ton and 22.5 to 26.5 cents per pound, respectively.

Global oilseed production for 2006/07 is reduced 2.7 million tons to 386.7 million tons. Foreign production is projected up 0.1 million tons to 294.9 million tons. Rapeseed production is increased for Canada based on higher harvested area. Rapeseed production is reduced for Australia because dry weather reduced plantings. Other changes include reduced soybean production for Canada.

Global oilseed production for 2005/06 is reduced this month mainly due to a 0.7 million ton reduction in the Brazil soybean crop. The crop is estimated at 55 million tons based on lower yields recently reported by the Government of Brazil. U.S. soybean crush for 2005/06 is projected at 1,720 million bushels, up 5 million bushels from last month. Increased crush reflects stronger-than-expected soybean meal export shipments and sales through June. Soybean exports are raised 5 million bushels to 905 million. Residual use is also raised. Supply estimates and reported use through May coupled with the June 1 stocks estimate indicate a higher residual for 2005/06. Ending stocks for 2005/06 are projected at 545 million bushels, down 25 million bushels.

Wheat: Supply, Disappearance, and Price, United States, 1989-2006

Year Beginning June 1	SUPPLY				DISAPPEARANCE						Ending Stocks May 31	Season Avg. Price
	Beginning Stocks	Production	Imports 1/	Total	Domestic Use				Exports 1/	Total Disappearance		
					Food	Seed	Feed 2/	Total				
	-- Million Bushels --											$
1989	702	2,037	23	2,765	749	104	139	992	1,233	2,225	536	3.72
1990	536	2,730	36	3,302	790	93	482	1,365	1,068	2,434	868	2.61
1991	868	1,980	41	2,888	789	94	244	1,127	1,280	2,412	475	3.00
1992	475	2,467	70	3,012	834	99	194	1,128	1,354	2,481	531	3.24
1993	531	2,396	109	3,036	872	96	272	1,240	1,228	2,467	568	3.26
1994	568	2,321	92	2,981	853	89	344	1,287	1,188	2,475	507	3.45
1995	507	2,183	68	2,757	883	104	153	1,140	1,241	2,381	376	4.55
1996	376	2,277	92	2,746	891	102	308	1,301	1,001	2,302	444	4.30
1997	444	2,481	95	3,020	914	92	251	1,257	1,040	2,298	722	3.38
1998	722	2,547	103	3,373	908	81	397	1,385	1,042	2,427	946	2.65
1999	946	2,299	95	3,339	929	92	279	1,300	1,090	2,390	950	2.48
2000	950	2,232	90	3,272	950	80	304	1,334	1,062	2,396	876	2.62
2001	876	1,957	108	2,941	926	84	190	1,200	964	2,164	777	2.78
2002	777	1,606	81	2,464	919	84	119	1,122	850	1,972	491	3.56
2003	491	2,345	63	2,899	912	80	203	1,194	1,158	2,353	546	3.40
2004	546	2,158	71	2,775	910	78	185	1,172	1,063	2,235	540	3.40
2005	540	2,105	80	2,725	910	78	185	1,153	1,004	2,157	568	3.42
2006 ..... 3/	568	1,806	105	2,478	915	80	145	1,140	900	2,040	438	3.70-4.30

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for distilled spirits. 3/ Preliminary. SOURCE: World Agricultural Supply and Demand Estimates, July 2006--ERS. Totals may not add due to independent rounding.

COMING IN NEXT REPORTER

Mink Production
Quarterly Milk Production
Wheat & Barley Varieties
Cattle Inventory
Cattle on feed
Sheep Inventory
Red Meat Production
Egg Production

Peggy Stringer, Director
John Hilton, Deputy Director
Wendy Bruski, Statistical Info Assistant
10 W. 15th Street, Suite 3100, Helena, Montana 59626
406-441-1240 or
1-800-835-2612
www.nass.usda.gov/mt/ nass-mt@nass.usda.gov